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LEGISLATIVE HISTORY

Public Law 561--77th Congress

Chapter 321--2d Session

S. 2508

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DIGEST OF PUBLIC LAW 561

CONTINUATION OF LENDING AUTHORITY OF LAND BANK COMMISSIONER.

Extends from June 1, 1942 to July 1, 1943, the lending authority of the Land Bank Commissioner.

INDEX AND SUMMARY OF HISTORY OF S. 2508

May 4, 1942	Senator Bankhead introduced S. 2508 which was referred to the Senate Committee on Banking and Currency. Print of the bill as introduced.
May 19, 1942	Senate Committee reported S. 2508 with amendments. Senate Report 1353. Print of the bill as reported.
May 26, 1942	S. 2508 was debated in the Senate and passed as reported. S. 2508 was referred to the House Committee on Agriculture.
May 27, 1942	House Committee discharged. S. 2508 discussed in the House and passed with an amendment.
May 28, 1942	Senate agreed to the House amendment.
June 3, 1942	Approved. Public Law 561

2074

Resolved, That upon enactment of such universal-service law the American Legion devote its maximum effort to the success of its application to the end that out of "equal service for all and special profit for none" America shall derive a new unity of spirit and purpose, a new confidence and consecration, which will make our defense impregnable and our triumph assured.

That copies of this resolution be sent to the press, to national and department heads of the American Legion, and to the Congressmen and Senators from the State of Oregon, with the request that it be embodied in the CONGRESSIONAL RECORD.

This resolution dated this 19th day of April 1942.

JOSEPH K. CARSON, Jr.,
Department Commander.

Attest:

JUNE W. VALIANT,
Department Adjutant.

RESOLUTIONS OF KANSAS STATE BOARD OF AGRICULTURE

Mr. CAPPER. Mr. President, on April 16 the Kansas State Board of Agriculture adopted a resolution urging an extension for 5 years of the 3½-percent interest rate now charged on Federal land bank and Land Bank Commissioner loans. The board at that time also adopted two other resolutions. These resolutions are embodied in letters addressed to me. I send the letters to the desk and ask unanimous consent that they may be printed in the RECORD and appropriately referred.

There being no objection, the letters embodying resolutions were referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

KANSAS STATE BOARD OF AGRICULTURE,
Topeka, April 29, 1942.

HON. ARTHUR CAPPER,
United States Senate,
Washington, D. C.

DEAR SENATOR CAPPER: At the board's quarterly meeting at Hays April 16-17, the following motion was unanimously adopted:

"That the board go on record as favoring the United States Department of Agriculture as the Federal agency to handle the National Food Administration, if and when such an administration is established."

Very truly yours,

J. C. MOHLER, Secretary.

KANSAS STATE BOARD OF AGRICULTURE,
Topeka, April 29, 1942.

HON. ARTHUR CAPPER,
United States Senate,
Washington, D. C.

DEAR SENATOR CAPPER: At the quarterly meeting of this board, April 16-17, at Hays, Kans., a motion was unanimously adopted—

"Calling for the increased use of surplus grains in the manufacture of alcohol, and thus reducing the quantities of sugar for alcohol conversion and at the same time make more space available for storage of this year's wheat crop."

The board believed this was a sensible suggestion and hoped it might have your favorable consideration.

Very truly yours,

J. C. MOHLER, Secretary.

DISTRIBUTION OF COMMODITIES FOR SCHOOL LUNCHES—RESOLUTION OF CONNECTICUT VEGETABLE GROWERS' ASSOCIATION

Mr. MALONEY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, a letter which I have received from Mr. Frank W. Rob-

erts, Secretary of the Connecticut Vegetable Growers' Association, Middletown, Conn., containing a resolution adopted by the board of directors of that association urging that the Surplus Marketing Administration be enabled to continue the distribution of commodities for school lunches.

There being no objection, the letter embodying a resolution was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

CONNECTICUT VEGETABLE
GROWERS' ASSOCIATION,
April 29, 1942.

HON. FRANCIS MALONEY,
Washington, D. C.

DEAR SIR: I wish to call your attention to the following resolution adopted by the board of directors of the Connecticut Vegetable Growers' Association on March 23, 1942:

"Whereas 310 schools in Connecticut have received surplus commodities during the current school year, and have thereby been enabled to serve lunches to 35,250 children; and

"Whereas a total of 1,500,000 pounds of food will have been distributed to these schools by the end of the current school year; and

"Whereas overwhelming evidence from school principals, nurses, physicians, and teachers, agrees that the children's health has been materially improved, their weight has increased, fewer colds and sore throats have been reported, there have been fewer absentees and less truancy among the children receiving the lunches; therefore be it

"Resolved, That the Connecticut Vegetable Growers' Association urge that in the interest of better health and nutrition on the part of growing children, the Surplus Marketing Administration be enabled to continue the distribution of commodities for school lunches; and be it further

"Resolved, That insofar as possible that produce used in the State be the produce grown in that State. That a definite amount of this appropriation be earmarked for that purpose."

Additional information:

Total number of schools receiving surplus commodities.....	310
Number of high schools.....	25
Number of elementary schools....	285
Urban.....	71
Rural.....	214

Total number of pounds of food distributed in current school year.....	1,500,000
Estimated retail value.....	\$150,000

Very truly yours,

FRANK W. ROBERTS,
Secretary.

RESOLUTION OF LUCKIAMUTE FARMERS' UNION, OREGON—PROTEST AGAINST CERTAIN LABOR PRACTICES

Mr. HOLMAN. Mr. President, on April 24 last the Luckiamute Farmers' Union, Monmouth, Oreg., adopted a resolution which expresses thoughts so wholesome and truly American that I request it be published in the RECORD and appropriately referred, so that every Member of the Congress may read it.

There being no objection, the resolution was referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

Whereas the laboring men who seek employment in the construction of the canton-

ment at Camp Adair in Polk and Benton Counties in Oregon are, in order to qualify for employment, compelled to pay high tribute in cash to the labor-union racketeer leaders who have, with apparent approval of the Government, assumed jurisdictional charge of the employment of labor for that camp construction;

And exorbitant charges are exacted from those who seek employment as a prerequisite to their obtaining it; and very insecure rights, if any rights at all, are given in return for those charges;

And it is reported and assumed that during the construction of the Camp Adair cantonment this unlawful and dastardly tribute will amount to the staggering sum of \$450,000;

And in some instances, as we are informed, laborers in the shipyards in Oregon, not desiring to become affiliated with any labor union or organization, are permitted to work as nonunion workers only by paying tribute at the rate of as much as \$2 per day while so working; and

Whereas the labor racketeer in this country has in the past decade increased his power and fattened himself upon the toil and the cash of the laboring men, until he has become an octopus of great and dangerous power;

And to encourage or even to tolerate a continuation of conduct so treacherous is a lie to our armed forces and constitutes a deception and failure of proper support to these red-blooded Americans who are offering and laying down their lives in defense of their country; and

Whereas the growth and power of this monster are so great that he has been able to defy, and he has defied, our National Government in Washington, and he has assumed, and continues to occupy, the roll of dictator to the administration of that Government; and

Whereas this labor racketeer, who is thus running amuck in our civic structure, is dictating to contracting employers as to who may and who may not be hired in defense work, is dictating and arbitrarily enforcing unreasonable terms of employment, is sapping the life blood from labor, is creating disloyalty to our Government, is hoarding unaccounted hundreds of millions of dollars for private gain and advantage to be later used for vicious, unpatriotic, and seditious purposes, is engendering in the minds of Americans generally the unfair and unjust belief that all labor unions should be suspected of improper and disloyal designs and should be suppressed; and

Whereas we apprehend and feel certain that, unless this un-American racket is checked, halted, and put down, its presence and its activities will, at or before the end of this war, lead to revolution and bloodshed in this country, thus causing this Nation to go down in ignominious defeat or lose the fruits of a too costly victory; and

Whereas the rank and file of labor and labor unions are patriotic employees, loyal to our Government and to our American institutions, and they are bitter, though helpless, in their opposition to the rackets here complained of; and they are in no way to be blamed nor condemned for the existing racketeering conditions: Now, therefore, be it

Resolved by the Luckiamute Farmers' Union, headquarters near Monmouth in Polk County, Oreg., That this labor racketeering is extremely detrimental to the welfare and to the progress and the safety and the best interests of our great country, and it creates far too much power in the hands of unscrupulous men; and it leads to individual and organized graft in stupendous proportions, with no requirement for accounting to constituted authority; and it is our sincere desire and hope that it be brought promptly to an end before it is too late, and

that its promoters—who are the only beneficiaries of its pernicious scheme and of the mischief it performs—be made to find useful and constructive tasks in the prosecution of this terrible and savage war which this Nation dare not lose; and to that end and purpose it is hereby further

Resolved, That Oregon's Senators and Representatives in Congress be, and they hereby are, urged forthwith to exert their utmost endeavors to see that such legislation is promptly enacted by Congress as will quickly and effectively halt and suppress the work of this crafty and insidious monster, and as will definitely and promptly discourage the administrative branch of our Government from giving any further aid or assistance, or even tolerance, to the activities, or to the very existence, of this labor racketeer organization, to its collection of tribute and its grab of power, all of which are to the distinct detriment of labor as a whole and to the damage of those who labor, and all of which definitely leads toward the rapid and complete disintegration and collapse of our democratic form of government; and be it further

Resolved, That no reflection or criticism is here made or intended with respect to the loyalty and patriotism and the noble efforts of the laborers and the laboring classes and organizations who are so patriotically doing their utmost toward the winning of the war; and be it further

Resolved, That a copy of this resolution be sent forthwith to each member of the Oregon delegation in Congress, and to the Governor of the State of Oregon, to the end and view that they may know how we feel concerning this most serious problem, and we believe that our sentiments upon the matter are shared generally throughout the land, or even universally among all those who have had opportunity to observe the true conditions and to sense the extreme importance and seriousness of the situation.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. REYNOLDS:

S. 2506. A bill for the relief of Angela Skeoch; to the Committee on Claims.

By Mr. BAILEY:

S. 2507. A bill to authorize the use of appropriations for travel and transportation for the transportation of dependents of officers and employees of Government agencies from zones of military operations, and for other purposes; to the Committee on Commerce.

By Mr. BANKHEAD:

S. 2508. A bill to amend the Federal Farm Loan Act, as amended; to amend the Emergency Farm Mortgage Act of 1933, as amended; to amend the Federal Farm Mortgage Corporation Act, as amended; and for other purposes; to the Committee on Banking and Currency.

AMENDMENT TO INDEPENDENT OFFICES APPROPRIATION BILL

Mr. McKELLAR submitted an amendment intended to be proposed by him to House bill 6430, the independent offices appropriation bill, fiscal year 1943, which was ordered to lie on the table and to be printed as follows:

On page 72, at the end of line 22, to insert a colon and the following additional proviso: "Provided further, That commencing July 1, 1942, all proceeds derived by the Board of Directors of the Authority from the sale of power or any other products manufactured by the Authority, and from any other activities of the Authority, including the disposition of any real or personal property, shall be paid into the Treasury of the United States monthly, and shall not be expended until sub-

sequently appropriated by the Congress: And provided further, That any unexpended balances on June 30, 1942, in the 'Tennessee Valley Authority fund, 1942,' are hereby re-appropriated, and shall remain available until June 30, 1943, and shall be available for the payment of obligations chargeable against the said fund for the fiscal year 1942."

ADDRESS BY SENATOR BARKLEY ON POLAND

[Mr. BROWN asked and obtained leave to have printed in the RECORD an address delivered by Senator BARKLEY on May 2, 1942, the anniversary of the adoption of the Polish Constitution, which appears in the Appendix.]

ADDRESS BY SENATOR TAFT ON UNITY AND FREEDOM OF THE PRESS

[Mr. TAFT asked and obtained leave to have printed in the RECORD an address delivered by him to the American-Irish Historical Society, at the Biltmore Hotel, New York, May 2, 1942, on the subject Unity and Freedom of the Press, which appears in the Appendix.]

STATEMENT BY SENATOR TAFT ON WAGES, PRICES, AND PROFITS

[Mr. TAFT asked and obtained leave to have printed in the RECORD a statement by him regarding wages, prices, and profits, which appears in the Appendix.]

CONTRIBUTION OF AMERICAN BUSINESS TO THE WAR EFFORT—ADDRESS BY JESSE H. JONES

[Mr. LUCAS asked and obtained leave to have printed in the RECORD an address by Hon. Jesse H. Jones, Secretary of Commerce, before the thirtieth annual meeting of the Chamber of Commerce of the United States on April 30, 1942, at Chicago, Ill., which appears in the Appendix.]

ADDRESS BY MR. GEORGE DEPASTA, MINISTER-COUNSELOR OF GREECE

[Mr. CHAVEZ asked and obtained leave to have printed in the RECORD an address delivered by Mr. George Depasta, Minister-Counselor of Greece, on March 23, 1942, the occasion of the biennial banquet of the Order of Ahepa, which appears in the Appendix.]

TAX ON TOBACCO—ARTICLE BY LEWIS C. WILLIAMS

[Mr. BYRD asked and obtained leave to have printed in the RECORD an article by Hon. Lewis C. Williams, of Richmond, Va., regarding the tax on tobacco, which will appear hereafter in the Appendix.]

APPEALS BY THE UNITED STATES TO CIRCUIT COURTS OF APPEALS IN CERTAIN CASES—CONFERENCE REPORT

Mr. McFARLAND submitted the following conference report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 139) to permit appeals by the United States to the circuit courts of appeals in certain cases, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the Senate amendment numbered 1, and agree to the same.

That the House recede from its disagreement to the Senate amendment numbered 2 and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "Rules of practice and procedure with respect to appeals authorized by this Act shall be prescribed by the Supreme Court of the United States in accordance with

the provisions of the Act of June 29, 1940 (54 Stat. 688, U. S. C. Title 18, sec. 687)."

And the Senate agree to the same.

ERNEST W. MCFARLAND,

H. M. KILGORE,

JOHN A. DANAHER,

Managers on the part of the Senate.

HATTON W. SUMNERS,

CHARLES F. McLAUGHLIN,

CLARENCE E. HANCOCK,

Managers on the part of the House.

The conference report was agreed to.

TRIBUTE TO UNITED STATES DISTRICT JUDGE JOHN DELEHANT

Mr. BUTLER. Mr. President, a few weeks ago the Senate unanimously voted approval of the President's appointment of one of Nebraska's worthy citizens to become United States district judge in Nebraska. I refer to the appointment of John Delehant, of Beatrice, Nebr. His appointment, like so many others we are called upon to approve, was handled as a routine matter here on the Senate floor, following the report of the Judiciary Committee.

Following the appointment of Judge Delehant I happened to be in Lincoln, Nebr., on the day it welcomed the judge and his family to the city. He was presented to the large audience of distinguished Nebraskans who had gathered for the occasion by the Chief Justice of the Nebraska Supreme Court, Mr. Robert G. Simmons, who for 10 years was a Member of Congress from Nebraska.

The remarks of the chief justice, and the impromptu response by Judge Delehant, so impressed me that I asked them to put their remarks in manuscript form to be offered for the RECORD here. I shall refrain from reading them, but shall ask that they be made a part of my remarks, in the body of the RECORD. I am sure Senators will find them interesting and inspiring—a story that is typical of what it means to be a citizen of the United States—the life story of the grandson of an Irish immigrant upon whom the President of the United States has conferred a signal honor, in whom he has placed a great trust, and on whom he has laid a high obligation and heavy task.

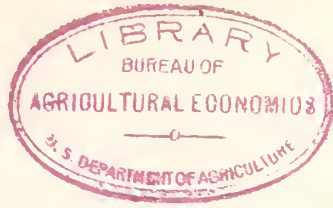
Mr. President, we of Nebraska are proud of the judiciary of our State, and I am sure the remarks of the chief justice and Judge Delehant will be of interest not only to Members of the Senate who confirmed the appointment of the judge, but to thousands who read the RECORD. The remarks will, I hope, convey the thought that appointments and great responsibilities which we often must handle as a matter of routine, are accepted in a spirit of genuine humility, profound gratitude, and a knowledge of the duties and obligations involved.

The VICE PRESIDENT. Is there objection to the request of the Senator from Nebraska

There being no objection, the addresses were ordered to be printed in the RECORD, as follows:

INTRODUCTORY REMARKS OF ROBERT G. SIMMONS AT THE PUBLIC AFFAIRS LUNCHEON, GIVEN IN HONOR OF JUDGE DELEHANT, FEBRUARY 27, 1942

Judge Delehant, distinguished guests, ladies, and gentlemen, I am deeply appreciative of the honor you do me, and the court of which



77TH CONGRESS
2D SESSION

S. 2508

*✓ Ref.
L. J. To - Sent out*

IN THE SENATE OF THE UNITED STATES

MAY 4 (legislative day, APRIL 30), 1942

Mr. BANKHEAD introduced the following bill; which was read twice and referred to the Committee on Banking and Currency

A BILL

To amend the Federal Farm Loan Act, as amended; to amend the Emergency Farm Mortgage Act of 1933, as amended; to amend the Federal Farm Mortgage Corporation Act, as amended; and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Federal Farm Mortgage
4 Corporation Act of 1942".

5 SEC. 2. The first paragraph of section 4 of the Federal
6 Farm Loan Act, as amended (title 12, U. S. C. 672), is
7 further amended by striking out the following: "Subject to
8 the approval of the Federal Farm Loan Board and under such
9 conditions as it may prescribe, the provisions of this Act are

1 extended to the island of Porto Rico and the Territory of
2 Alaska; and the Federal Farm Loan Board shall designate a
3 Federal land bank which is hereby authorized to establish a
4 branch bank in Porto Rico and a Federal land bank which
5 is hereby authorized to establish a branch bank in the Terri-
6 tory of Alaska. Loans made by each such branch bank shall
7 not exceed the sum of \$25,000 to any one borrower and shall
8 be subject to the restrictions and provisions of this Act (U.
9 S. C., title 12, ch. 7), except that each such branch bank
10 may loan direct to borrowers, and, subject to such regulations
11 as the Federal Farm Loan Board may prescribe, the rate
12 charged borrowers may be $1\frac{1}{2}$ per centum in excess of the
13 rate borne by the last preceding issue of farm-loan bonds of
14 the Federal land bank with which such branch bank is con-
15 nected: *Provided*, That no loan shall be made in Porto Rico
16 or Alaska by such branch bank for a longer term than twenty
17 years." and substituting in lieu thereof the following: "Sub-
18 ject to the approval of the Farm Credit Administration and
19 under such conditions as it may prescribe, the provisions of
20 title II of this Act, the Farm Credit Act of 1933, and any
21 Act amendatory thereof or supplementary thereto are ex-
22 tended to the island of Puerto Rico and to the territories of
23 Alaska and Hawaii."

24 SEC. 3. The Act approved March 10, 1924, as amended

1 (43 Stat. 17; title 12, U. S. C. 672), is further amended by
2 striking out section 2 thereof.

3 SEC. 4. Section 13 of the Federal Farm Loan Act, as
4 amended (title 12, U. S. C. 781), is further amended by
5 adding at the end thereof a new paragraph reading as
6 follows:

7 “Nineteenth. To make available services, facilities, and
8 personnel to the Land Bank Commissioner and/or the Fed-
9 eral Farm Mortgage Corporation to aid in making loans
10 and in servicing loans, real estate, or other assets situated
11 in the continental United States exclusive of Alaska, or in
12 the island of Puerto Rico.”

13 SEC. 5. (a) The second sentence of section 32 of the
14 Emergency Farm Mortgage Act of 1933, as amended (title
15 12, U. S. C. 1016 (b)), is further amended by striking
16 out the semicolon in said sentence and the following: “nor
17 shall a loan in excess of \$7,500 be made to any one farmer.”
18 and inserting in lieu thereof a period and the following:
19 “The amount of loans to any one borrower shall in no case
20 exceed a maximum of \$50,000, but loans to any one bor-
21 rower shall not exceed \$25,000 unless specially approved
22 by the Land Bank Commissioner, nor shall any one loan
23 be for a less sum than \$100, but preference shall be given
24 to applications for loans of \$10,000 and under: *Provided*,

1 That no loan shall be made outside the continental United
2 States or in Alaska for a longer term than twenty years.”

3 (b) The tenth sentence of said section 32, as amended
4 (title 12, U. S. C. 1016 (g)), is further amended by striking
5 out the following: “Until June 1, 1942, the” and inserting
6 in lieu thereof “The”; and by striking out the semicolon in
7 said sentence and the following: “but no such loans shall be
8 made by him after June 1, 1942, except for the purpose of
9 refinancing loans previously made by him under this section”.

10 SEC. 6. Section 4 (b) of the Federal Farm Mortgage
11 Corporation Act, as amended (title 12, U. S. C. 1020d),
12 is further amended by adding at the end thereof the following
13 new paragraph:

14 “The Corporation is authorized and directed, upon re-
15 quest of the Federal Land Bank of Baltimore made with the
16 approval of the Farm Credit Administration, to purchase
17 from said bank all its mortgages secured by real estate
18 situated in the island of Puerto Rico and other securities for
19 loans on such real estate, contracts for the sale of real estate
20 and real estate situated in said island, and all other assets
21 of every description of said bank situated in said island and
22 pertaining to the business of the Puerto Rico branch of said
23 bank, except cash, at a price agreed upon by the bank and
24 the Corporation subject to approval by said Administration.”

A BILL

To amend the Federal Farm Loan Act, as amended; to amend the Emergency Farm Mortgage Act of 1933, as amended; to amend the Federal Farm Mortgage Corporation Act, as amended; and for other purposes.

By Mr. BANKHEAD

MAY 4 (legislative day, April 30), 1942

Read twice and referred to the Committee on
Banking and Currency

Whereas we believe the enactment of these bills into law would establish an unwise and dangerous precedent, and would be opposed to the general welfare of citizens of the several States and obstructive to the common defense of the United States:

We, the undersigned, citizens of Wisconsin, respectfully request that these bills be reported unfavorably.

PROHIBITION OF LIQUOR SALES AND SUPPRESSION OF VICE AROUND MILITARY CAMPS

Mr. REYNOLDS. Mr. President, I have received a letter from the pastors of three churches in Clarksville, Va., in reference to legislation dealing with the traffic in liquor and vice in the immediate vicinity of military camps. In accordance with their request, I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CLARKSVILLE, VA., May 5, 1942.

HON. ROBERT R. REYNOLDS,
Chairman, Senate Military
Affairs Committee,

Senate Building, Washington, D. C.

DEAR SENATOR REYNOLDS: We are writing you at the request of the congregation assembled at the Baptist Church, Clarksville, Va., on April 26, 1942. We are writing you not personally, but officially as the chairman of the Senate Military Affairs Committee.

The congregation assembled voted to request the Congress of the United States to pass Senate bill 860 (commonly known as the Sheppard bill), or similar protective legislation for our armed forces against the liquor and vice traffics similar to that enacted by Congress in 1917. The congregation also requested that you read this action on the floor of the Senate and have it incorporated in the CONGRESSIONAL RECORD.

Yours sincerely,

WM. J. CRAIN,
Pastor, Baptist Church,
FOREST H. MEAD,
Pastor, Methodist Church,
F. M. ALLEN,
Pastor, Presbyterian Church,
(All of Clarksville, Va.)

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BANKHEAD, from the Committee on Banking and Currency:

S. 2508. A bill to amend the Federal Farm Loan Act, as amended; to amend the Emergency Farm Mortgage Act of 1933, as amended; to amend the Federal Farm Mortgage Corporation Act, as amended; and for other purposes; with amendments (Rept. No. 1353).

By Mr. McFARLAND, from the Committee on Indian Affairs:

S. 2369. A bill for the acquisition of Indian lands required in connection with the construction, operation, and maintenance of electric transmission lines and other works, Parker Dam power project, Arizona-California, without amendment (Rept. No. 1354).

By Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs:

H. R. 4533. An act to provide for the disposition of trust or restricted estates of Indians dying intestate without heirs; with amendments (Rept. No. 1355); and

H. R. 5484. An act for the relief of the Tlingit and Haida Indians of Alaska; without amendment (Rept. No. 1356).

By Mr. WALSH, from the Committee on Naval Affairs:

S. 2526. A bill to amend section 1 of the act entitled "An act to authorize the Philadelphia, Baltimore & Washington Railroad Co.

to extend its present track connection with the United States navy yard so as to provide adequate railroad facilities in connection with the development of Buzzards Point as an industrial area in the District of Columbia, and for other purposes," approved June 18, 1932 (47 Stat. 322), as amended by the act approved June 20, 1939 (53 Stat. 849); without amendment (Rept. No. 1357).

By Mr. McKELLAR, from the Committee on Appropriations:

H. J. Res. 308. Joint resolution making appropriations to provide war housing and war public works in and near the District of Columbia; with amendments (Rept. No. 1358).

AMENDMENT OF NATIONAL SERVICE LIFE INSURANCE ACT—CHANGE OF REFERENCE

Mr. GEORGE. Mr. President, yesterday the Vice President laid before the Senate a letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend subsection (3) of section 602 (d) of the National Service Life Insurance Act, as amended. By inadvertence the recommendation of the Veterans' Administration was referred to the Committee on Military Affairs. The National Service Life Insurance Act originated, respectively, in the Ways and Means Committee of the House of Representatives and the Finance Committee of the Senate, and the letter laid before the Senate yesterday relating to it should be referred to the Committee on Finance. I therefore ask unanimous consent that the Committee on Military Affairs be discharged from the further consideration of the letter, and that it be referred to the Committee on Finance.

The VICE PRESIDENT. Without objection, it is so ordered.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mrs. CARAWAY:

S. 2541. A bill to incorporate the United States Army Mothers; to the Committee on the Judiciary.

By Mr. TYDINGS:

S. 2542. A bill for the relief of Samuel Jacobs, Bertha Jacobs, and Harry Jacobs; to the Committee on Claims.

By Mr. GEORGE:

S. 2543. A bill to amend subsection (3) of section 602 (d) of the National Service Life Insurance Act, as amended, and for other purposes; to the Committee on Finance.

PAY OF SOLDIERS

Mr. LEE. Mr. President, in today's Washington Post there appears a very good editorial on soldiers' pay, which seems appropriate at this time. It reads as follows:

SOLDIERS' PAY

We cannot possibly compensate the men in uniform for the type of service they are rendering. The simple fact is that few of the soldiers in our Army could be hired on a dollars-and-cents basis to shoulder a gun and go off to foreign lands to endure the terror of a blitzkrieg. They accept this responsibility for one reason only: their fighting strength is necessary to preserve the civilization of which they are a part. So, in large measure their compensation will be the blessings of peace and freedom which must be regained once more on the battlefield.

With this principle firmly established, however, rates of pay in the services ought to

be adjusted to present-day realities. Prices have risen substantially since Congress last fixed the rates of pay for soldiers and sailors. Since the man in the ranks is provided with food, clothing, and shelter, he may in part escape the effect of rising prices. But a Government which has permitted substantial wage increases for workers who are not risking death for their country certainly cannot object to a reasonable increase in the pay of men at the front.

On the whole, the Senate bill providing a base pay of \$42 for Army and Marine Corps privates and Navy and Coast Guard apprentice seamen seems to be preferable to the House bill raising this figure to \$50. Congress would do well to remember that it must still deal with the problem of aiding dependents of soldiers who have no other means of support. And the necessity of curbing inflation enters into every question of putting more dollars into the hands of consumers. Regarded from the viewpoint of the soldier, \$50 a month is certainly not overgenerous. If Congress decides to go that far, however, it should resolve at the same time to reach a little deeper into the pockets of workers in civilian life to counteract the inflationary influence of so sharp an adjustment in service pay.

Mr. President, the Senate will soon be faced with the alternative of accepting the House action or sustaining our own, which provides for \$42 a month, the House having voted \$50 a month. It seems to me a good solution would be for the Senate to accept the House provision of \$50 a month and make the additional pay of \$8 a month payable to the soldier in the form of a war bond, which would certainly not add to the argument that it would increase inflation in the country. It would also provide an after-war soldier bonus, which would absorb some of the after-war depression. It seems to me that would be a wise solution of the pay problem at this time.

MINUTE MEN OF FREEDOM—ADDRESS BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD an address delivered by him before the Wisconsin and Upper Michigan Peninsula Youth Conference of the Salvation Army at Milwaukee, Wis., May 16, 1942, which appears in the Appendix.]

BUILDING FOR FREEDOM AND SECURITY—ADDRESS BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD an address delivered by him before the Upper Mississippi Valley Safety Conference on May 14, 1942, at Chippewa Falls, Wis., which appears in the Appendix.]

VICTORY THROUGH UNITY—STATEMENT BY SENATOR BURTON

[Mr. BURTON asked and obtained leave to have printed in the RECORD a statement made by him before the Council Against Intolerance in America at Cleveland, Ohio, May 16, 1942, which appears in the Appendix.]

APPRECIATION OF SENATOR BARKLEY—EDITORIAL FROM THE KENTUCKY POST

[Mr. SMATHERS asked and obtained leave to have printed in the RECORD an editorial from the Kentucky Post of Cincinnati, Ohio, in commendation of Senator BARKLEY, which appears in the Appendix.]

COMMENDATION OF CONGRESS BY FULTON LEWIS, JR.

[Mr. BILBO asked and obtained leave to have printed in the RECORD an excerpt from

the broadcast of Fulton Lewis, Jr., on Friday, May 15, 1942, which appears in the Appendix.]

DECLARATION OF PRINCIPLES BY AMERICAN LEGION OF COLORADO

[Mr. MILLIKIN asked and obtained leave to have printed in the Record a declaration of principles by the American Legion of Colorado, which will appear hereafter in the Appendix.]

LIVING OFF THE FAT—EDITORIAL FROM CHICAGO TRIBUNE

[Mr. HOLMAN asked and obtained leave to have printed in the Record an editorial from the Chicago Tribune of May 11, 1942, entitled "Living Off the Fat," which appears in the Appendix.]

AGRICULTURAL DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 6709) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1943, and for other purposes.

The VICE PRESIDENT. The clerk will state the first committee amendment passed over.

The CHIEF CLERK. On page 80, line 15, after the word "the", it is proposed to strike out "provisions of this act" and insert "foregoing proviso."

The VICE PRESIDENT. The question is on agreeing to the amendment.

Mr. RUSSELL. Mr. President, we now approach the amendment on page 80 of the bill, which relates to the disposition of the surplus commodities which are under the control or ownership of the Commodity Credit Corporation. All the amendments in this provision are necessary to effectuate the purpose which the committee has in mind. I do not think there could be any possible objection to combining the amendments and voting upon them all at one time, rather than having separate votes, because each of them will stand or fall by the action taken by the Senate on the others. I therefore ask unanimous consent that we may vote on the amendments en bloc.

The VICE PRESIDENT. Is there objection to the request of the Senator from Georgia? The Chair hears none, and it is so ordered.

Mr. RUSSELL. Mr. President, I move to amend the committee amendment commencing in line 23, page 80, by adding the following proviso: "Provided further, That no grain shall be sold for feed at a price less than 85 percent of the parity price of corn at the time such sale is made."

The VICE PRESIDENT. Does the Senator propose that as a committee amendment?

Mr. RUSSELL. I have conferred with all the members of the subcommittee, with one or two exceptions; I was unable to see them all. The committee report stated that what is proposed in the amendment to the amendment was to be the effect of the action of the committee, and the language I now propose merely expresses in the bill the understanding the committee had with the Commodity Credit Corporation as to the disposal of these commodities.

The VICE PRESIDENT. The Chair may understand, therefore, that the amendment is offered as a committee amendment?

Mr. RUSSELL. I do not like to offer it as a committee amendment when I have not consulted all the members of the committee, but I may say that it has been approved by a majority of the members of the committee. It is an amendment to a committee amendment, and I think it is therefore in order under the rules.

The VICE PRESIDENT. The committee amendment is open to amendment.

Mr. McNARY. Will the Senator yield?

Mr. RUSSELL. I yield.

Mr. McNARY. Is the word "grain" used in the amendment?

Mr. RUSSELL. The word "grain" is used in the amendment.

Mr. McNARY. That would include corn, wheat, oats, rye, and barley.

Mr. RUSSELL. The Senator is correct.

Mr. McNARY. At one time a question was raised in the committee, as I recall, that corn probably would not come under the term "grain"; but it is a term which is broad enough to include corn. That should satisfy those interested in the production of corn that this amendment places a floor under corn at 85 percent of parity.

Mr. RUSSELL. There could be no question as to that. Corn is defined as grain in the original Agricultural Adjustment Act.

The pending amendment and the proposed amendment thereto presented the most difficult question which the subcommittee was compelled to handle in dealing with this problem. It was particularly embarrassing to those of us who do not come from States which are in the commercial corn area, or States which do not produce considerable quantities of wheat for sale.

A number of conferences were had with practically all the Senators who represent States which are primarily agricultural States. A conference was called by the distinguished Senator from Alabama [Mr. BANKHEAD], who has been generally recognized as one of the great leaders in this body of those who are particularly interested in agriculture and the welfare of the farmer. Every effort has been made to work out an agreement or compromise which would be acceptable to all those whose constituencies are greatly affected by the action the Senate may take on this amendment. I regret very much that it has been impossible to come to a complete agreement or meeting of minds of all those who have a primary interest in this proposition, and it will therefore be necessary for the Senate to pass upon and decide the course to be pursued.

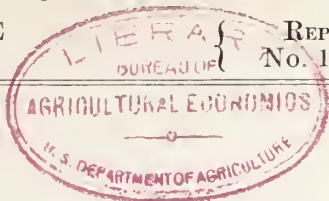
Mr. President, I shall now briefly outline some of the facts which were brought to the attention of the committee in its consideration of this question, as well as the effect which the language proposed by the committee will have. As pointed out by the Senator from Oregon [Mr. McNARY], the effect of the committee's amendment is to permit the sale of surplus corn and wheat for feeding purposes at a price not below 85 percent of the parity price of corn at the time the

sale is made. It does not permit the sale of corn for any purpose other than feeding at below full 100 percent of corn parity. It may be said, however, that that pertains or relates only to the very small portion of the corn which is purchased in the United States. Approximately 90 percent of all the corn produced in this country is used for feed, and 75 percent of it is fed on the farm where the corn is grown. The amendment would not permit the sale of wheat for flour at a price below 100 percent of wheat parity, but would permit the sale of not exceeding 125,000,000 bushels of wheat at a price not below 85 percent of corn parity.

Mr. President, I will be frank and say that this proposal deviates in degree from the provisions of the bill which the Senate enacted some time ago, known as the Bankhead-Gillette-Thomas-Russell bill, which prohibited the sale of any of these farm products at below 100 percent of parity, but conditions have arisen and facts have been submitted since the consideration of that bill which have prompted me, and I am sure other members of the Senate, to view this matter in a slightly different light. We are confronted today with the greatest surplus of wheat that has ever been known in all our history. It is estimated that the carry-over of old wheat on June 30 will be over 630,000,000 bushels. In other words, the carry-over of wheat will amount almost to a full year's consumption of wheat within the United States. The crop of wheat now in prospect is unusually good, and, it is estimated, will yield approximately 800,000,000 bushels or more. That will give us in this country a total supply of wheat sufficient to meet all our domestic needs, as well as for the export of the same quantity of wheat that is exported in normal times, for more than 2 years. That wheat will be on hand. I hope Senators will bear that in mind, that there will be in this country a supply of wheat exceeding 2 years' normal requirements for domestic use and export, as the result of the crop which will be harvested this year.

Mr. President, the bald fact is that there is not any place in this country in which to store this amount of wheat. Production and carry-over are so great that all the elevators, the bins on the farm, all storage facilities available, are full today, and it will be necessary to leave a considerable amount of this wheat in the fields if some method cannot be found to dispose of it.

In normal times we may be able to preserve the principle of full 100-percent parity in the market place, and see millions of bushels of wheat go to waste in the fields, but in these abnormal times, in these times when we are proposing to be the granary of the world, when we are told that the country which has the surplus foodstuffs will be able to write the terms of the peace which will come after this awful war in which we are now engaged, it certainly seems to me that we cannot justify the economic loss and waste of perhaps 100,000,000 bushels of wheat if any possible way can be found to preserve it or to translate it into foodstuffs.

AMENDMENTS TO EMERGENCY FARM MORTGAGE ACT
OF 1933

MAY 19 (legislative day, MAY 15), 1942.—Ordered to be printed

Mr. BANKHEAD, from the Committee on Banking and Currency,
submitted the following

REPORT

[To accompany S. 2508]

The Committee on Banking and Currency, to whom was referred the bill (S. 2508) to amend the Federal Farm Loan Act, as amended; to amend the Emergency Farm Mortgage Act of 1933, as amended; to amend the Federal Farm Mortgage Corporation Act, as amended; and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

STATEMENT

Section 1 of the bill, as reported, would adopt for Land Bank Commissioner loans made on behalf of the Federal Farm Mortgage Corporation language substantially identical with the provisions of the Federal Farm Loan Act with relation to land banks as regards the amount of loans which may be made to any one borrower, special approval of loans in excess of \$25,000 and the preference which would be given to applications for loans of \$10,000 or under. The effect of this amendment to the Emergency Farm Mortgage Act of 1933 would be to place Land Bank Commissioner loans, in these respects, substantially on the same basis as Federal land bank loans. This amendment would permit Commissioner loans to be of greater service in stock-raising areas and in certain areas which are not considered by the Federal land banks to be suitable for their lending operations. Land subject to flood hazards, and certain irrigation and drainage districts, now are not serviced by the Federal land banks because of the risks inherent in the localities. Under the authority of this amendment it would be possible to extend adequate long-term mortgage credit to farmers in these regions. Furthermore, under this section the Commissioner would be authorized to make loans up to

\$50,000 in Puerto Rico, Hawaii, and Alaska. To date loans have not been made in Hawaii or Alaska but this authority would permit the extension of service to farms in Puerto Rico which the Federal land bank has not been able to serve.

Section 2 of the bill as reported would extend the authority of the Land Bank Commissioner to make loans on behalf of the Federal Farm Mortgage Corporation until July 1, 1946. Under the present law authority to make these loans expires June 1, 1942. This amendment would recognize the necessity of supplementing Federal land bank loans with Land Bank Commissioner loans in order to maintain the Federal land bank system as a pace setter in the long-term farm mortgage field and would also recognize the fact that there is a continuing need by farmers whom the Federal land banks and other lenders cannot or will not serve for credit of the kind extended by the Federal Farm Mortgage Corporation through Land Bank Commissioner loans.

○



Calendar No. 1395

77TH CONGRESS
2D SESSION

S. 2508

[Report No. 1353]

IN THE SENATE OF THE UNITED STATES

MAY 4 (legislative day, APRIL 30), 1942

Mr. BANKHEAD introduced the following bill; which was read twice and referred to the Committee on Banking and Currency

MAY 19 (legislative day, MAY 15), 1942

Reported by Mr. BANKHEAD, with amendments

[Omit the part struck through and insert the part printed in *italic*]

A BILL

To amend the Federal Farm Loan Act, as amended; to amend the Emergency Farm Mortgage Act of 1933, as amended; to amend the Federal Farm Mortgage Corporation Act, as amended; and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Federal Farm Mortgage
4 Corporation Act of 1942".

5 SEC. 2. The first paragraph of section 4 of the Federal
6 Farm Loan Act, as amended (title 12, U. S. C. 672), is
7 further amended by striking out the following: "Subject to
8 the approval of the Federal Farm Loan Board and under such
9 conditions as it may prescribe, the provisions of this Act are

1 extended to the island of Porto Rico and the Territory of
2 Alaska; and the Federal Farm Loan Board shall designate a
3 Federal land bank which is hereby authorized to establish a
4 branch bank in Porto Rico and a Federal land bank which
5 is hereby authorized to establish a branch bank in the Terri-
6 tory of Alaska. Loans made by each such branch bank shall
7 not exceed the sum of \$25,000 to any one borrower and shall
8 be subject to the restrictions and provisions of this Act
9 (U. S. C., title 12, ch. 7), except that each such branch bank
10 may loan direct to borrowers; and, subject to such regulations
11 as the Federal Farm Loan Board may prescribe, the rate
12 charged borrowers may be $1\frac{1}{2}$ per centum in excess of the
13 rate borne by the last preceding issue of farm-loan bonds of
14 the Federal land bank with which such branch bank is con-
15 nected: *Provided*, That no loan shall be made in Porto Rico
16 or Alaska by such branch bank for a longer term than twenty
17 years." and substituting in lieu thereof the following: "Sub-
18 ject to the approval of the Farm Credit Administration and
19 under such conditions as it may prescribe, the provisions of
20 title II of this Act, the Farm Credit Act of 1933, and any
21 Act amendatory thereof or supplementary thereto are ex-
22 tended to the island of Puerto Rico and to the territories of
23 Alaska and Hawaii."

24 SEC. 3. The Act approved March 10, 1924, as amended

1 ~~(43 Stat. 17; title 12, U. S. C. 672)~~, is further amended by
2 striking out section 2 thereof.

3 SEC. 4. Section 13 of the Federal Farm Loan Act, as
4 amended ~~(title 12, U. S. C. 784)~~, is further amended by
5 adding at the end thereof a new paragraph reading as
6 follows:

7 “~~Nineteenth.~~ To make available services, facilities, and
8 personnel to the Land Bank Commissioner and/or the Fed-
9 eral Farm Mortgage Corporation to aid in making loans
10 and in servicing loans, real estate, or other assets situated
11 in the continental United States exclusive of Alaska, or in
12 the island of Puerto Rico.”

13 SEC. 5. ~~(a)~~ *That* the second sentence of section 32
14 of the Emergency Farm Mortgage Act of 1933, as amended
15 (title 12, U. S. C. 1016 (b)), is further amended by strik-
16 ing out the semicolon in said sentence and the following:
17 “nor shall a loan in excess of \$7,500 be made to any one
18 farmer.” and inserting in lieu thereof a period and the follow-
19 ing: “The amount of loans to any one borrower shall in no
20 case exceed a maximum of \$50,000, but loans to any one
21 borrower shall not exceed \$25,000 unless specially ap-
22 proved by the Land Bank Commissioner, nor shall any one
23 loan be for a less sum than \$100, but preference shall be
24 given to applications for loans of \$10,000 and under: *Pro-*

1 *vided*, That no loan shall be made outside the continental
 2 United States or in Alaska for a longer term than twenty
 3 years."

4 (b) The tenth sentence of said section 32, as amended
 5 (title 12, U. S. C. 1016 (g)), is further amended by striking
 6 out the following: "Until June 1, 1942, the" and inserting
 7 in lieu thereof "The"; and by striking out the semicolon in
 8 said sentence and the following: "but no such loans shall be
 9 made by him after June 1, 1942, except for the purpose of
 10 refinancing loans previously made by him under this section".

11 *SEC. 2. The tenth sentence of such section 32, as*
 12 *amended, is amended by striking out "June 1, 1942"*
 13 *wherever it appears therein and inserting in lieu thereof*
 14 *"July 1, 1946".*

15 *SEC. 6. Section 4 (b) of the Federal Farm Mortgage*
 16 *Corporation Act, as amended (title 12, U. S. C. 1020d),*
 17 *is further amended by adding at the end thereof the following*
 18 *new paragraph:*

19 "The Corporation is authorized and directed, upon re-
 20 quest of the Federal Land Bank of Baltimore made with the
 21 approval of the Farm Credit Administration, to purchase
 22 from said bank all its mortgages secured by real estate
 23 situated in the island of Puerto Rico and other securities for
 24 loans on such real estate, contracts for the sale of real estate
 25 and real estate situated in said island, and all other assets

1 of every description of said bank situated in said island and
2 pertaining to the business of the Puerto Rico branch of said
3 bank, except cash, at a price agreed upon by the bank and
4 the Corporation subject to approval by said Administration."

Amend the title so as to read: "A bill to amend section
32 of the Emergency Farm Mortgage Act of 1933, as
amended."

A BILL

To amend the Federal Farm Loan Act, as amended; to amend the Emergency Farm Mortgage Act of 1933, as amended; to amend the Federal Farm Mortgage Corporation Act, as amended; and for other purposes.

By Mr. BANKHEAD

MAY 4 (legislative day, APRIL 30), 1942

Read twice and referred to the Committee on
Banking and Currency

MAY 19 (legislative day, MAY 15), 1942

Reported with amendments

May 16



NO GAS RATIONING HERE

The idea of imposing rationing of gasoline here where the problem is not scarcity of gasoline but enough market for it to keep oil wells and refineries going is regarded locally as pure lunacy. If imposed it will not save rubber and it will hamper the war program.

A recent editorial in the Amarillo News speaks to the point about this and we quote only a few brief paragraphs from it:

"But we do know there is no logical reason for rationing in this part of the country. In fact, rationing here would actually interfere with the war effort. There is no general shortage of gasoline. Our supplies are greater today, after 5 months of war, than they were last year.

"It is reported that some refineries already are closing down. Others are restricting production drastically. Many refineries in the Southwest turn out high-octane gasoline for aviation, and to restrict dangerously the normal operations of these plants might interfere with the production of essential fuels for the war effort.

"One cause for rationing in the Southwest is that tires must be conserved. That, it seems to us, already is taken care of. We just can't buy any more of them. One minor official went so far as to say that such rationing would help discipline the public for the war effort.

"Hasn't it been made clear by now that the public is willing, even eager, to go the limit in sacrificing for the war, as long as the sacrifice is sensible and reasonable? We don't need discipline. It's silly to throw out of gear an industry needed in the war effort merely to give the public an unnecessary lesson in sacrifice.

"If Washington wants to know how we feel about the prospect, let's tell them—loudly and frequently."

[From the Roswell (N. Mex.) Daily Record of May 22, 1942]

Gasoline rationing in New Mexico, where there is no gasoline problem, would threaten the State highway program very seriously, not merely the construction which can be delayed but the maintenance of the State's highways, which might be vitally necessary in the war and also, perhaps, the payment of the State's highway debentures.

Word from State officials shows that they are seriously disturbed over this proposed rationing of gasoline where it is not needed, but where it is proposed to place it into effect.

New Mexico's problems from proposed moves in the national war program are many and serious, aside from the proposed rationing of gasoline.

New Mexico is a vacation land, and the revenue left in the State each year by tourists has been estimated to run from sixty to eighty million dollars. That is likely to be heavily cut into by gasoline rationing, and if this rationing is made Nation-wide, including areas where there is no scarcity of gasoline, this State's tourist revenue will be heavily reduced.

Another place where we will be injured by the proposed war program is in reduced sales-tax revenues, coming about from restrictions placed upon retail trade, much of it necessary but some of it seemingly unnecessary and useless as a war measure. Our public schools are largely supported by this sales tax, and a drop in revenue there would do them great injury, something that is unthinkable bad.

The decrease in sales of oil and gasoline in the State might easily break many of the oil operators and refiners, and all to very little effect upon the Nation's war program.

If it is necessary to save rubber to the extent that the Federal officials claim, then the best way to do it would be to take over, by purchase, of course, all of the rubber

stocks, the tires, and as much as could be spared from auto transportation. That would mean that millions of motorists would be obliged to lay up their cars or to dispose of them to the Government. That would be better than simply closing up the oil and refining industries in various sections of the country, including New Mexico.

The American people are anxious to make all necessary sacrifices to win the war, but they do not want to be pushed around unnecessarily.

[From the Roswell (N. Mex.) Daily Record of May 17, 1942]

In the Eastern States where gasoline and oil have to be transported by sea, rail, or truck, rationing has been imposed, because of a scarcity of transportation facilities due to the war. They don't like it at all, that much is evident already.

And now comes the proposal that a general rationing plan be imposed all over the country, even where there is oil and gasoline in abundance and no scarcity at all. What would this do to eastern New Mexico?

Well, here is what it would do. Already the oil-producing areas here have been heavily hit, the producers, the State through falling tax receipts, and the wage earners because of dwindling employment in the oil industry. There is no scarcity of oil or gasoline here, for no transportation problem is involved. We are already badly hurt in the industry by the lack of markets for the products of the wells and of the refineries.

Cutting down on local consumption would not help the war effort in the slightest way, but rather it would injure it. It would make thousands less able to pay taxes for the war effort; it would hurt the State and county revenues, and would uselessly injure local business.

Rationing of gasoline and oil for the motorists in the East may annoy them, but it does not injure them in the way it does the areas where oil men and refineries have been cut off from their usual markets. For instance, New Mexico has been cut to 73,000 barrels of oil daily, when it can produce many millions of barrels daily.

Imposing rationing of gasoline where there is plenty of it would do great local harm. Only one benefit can be seen in it, the possible saving of rubber, and that only in the event that the Federal authorities take over the tires and tubes now being used by motorists.

Gasoline rationing in New York and in other States where there is a scarcity of gasoline may be annoying to the people there, but it is far less harmful to them than it is to the people of the areas where there is plenty of gasoline and oil.

[From the El Paso (Tex.) Times]

WE HAVE GASOLINE

While the determination seems to be growing in Washington to force rationing of gasoline on the entire Nation, regardless of whether or not it is necessary, residents of this section of the country are justified in taking a look around to see what the situation is out here.

All of us sympathize with residents of district No. 1, comprising the east coast. They have been rationed on gasoline because it has not been possible to get enough to them because of war conditions.

But is that any reason to ration us?

In district No. 3, which comprises New Mexico, Texas, Louisiana, Alabama, Mississippi, Arkansas, and Oklahoma, there is no need for rationing of gasoline, because a sufficient supply is in storage tanks, and can be made, to meet our needs.

Refineries are hard pushed to make enough fuel oil for the railroads; and whenever fuel oil is made, gasoline has to be made, too. As a consequence, it would mean that storage

would be full of gasoline which would have to be disposed of in some manner if gasoline rationing were put into effect.

We also have sufficient transportation facilities to take care of our delivery needs without the use of tank cars, and we have been releasing tank cars to haul products to the east coast.

The eastern people are using the excuse that it would save tires by rationing gasoline. That may be true to a certain extent, but a far better plan than laying up a car would be to use it moderately at moderate speeds, which would keep the tires alive. Tires which have been used and then are laid up deteriorate very rapidly.

Taking everything into consideration, and figuring that the producers are having the proration of crude cut back in this district, the fact that we have long distances to travel, and not so many means of transportation that they have on the east coast, there can be no real reason for rationing of gasoline in District No. 3.

Harold Ickes has been quoted as saying that gasoline may be rationed out here as a means of impressing upon the public the fact that we are engaged in a tough war. Most of us know that already, and there is no reason to cripple our means of transportation any more than absolutely necessary.

[From the Washington (D. C.) Times-Herald of May 26, 1942]

NATION-WIDE GAS RATION PLAN DRAWS PROTESTS IN SENATE—BOARD MEETING TO DECIDE ISSUE TODAY; JUNE 1 CURTAILMENTS FOR OREGON DROPPED

(By Hal Foust)

Senator CHARLES L. McNARY (Republican), of Oregon, said yesterday he was informed by the Office of Petroleum Coordinator Harold Ickes that plans have been dropped to ration gasoline in Oregon effective June 1.

His announcement added to confusion on the eve of today's meeting of the War Production Board to decide on a Nation-wide gas ration program, effective probably on July 1.

WOULD BE ADDED JUNE 1

Two weeks ago, the Office of Price Administration announced Oregon and Washington would be added on June 1 to the 17 Atlantic seaboard States and the District of Columbia where motor fuel consumption has been curtailed since May 15.

McNARY said he did not know whether the reason for the change in the plan as far as his State is concerned was due to an improvement in local petroleum supplies or to the imminence of a Nation-wide gas ration as a rubber conservation measure.

Meanwhile Democratic and Republican Senators joined yesterday in protests against a proposed Nation-wide rationing of gasoline as a rubber conservation measure. There was an apparent consensus that the public, due mainly to conflicting utterances by the bureaucrats, was not convinced of the necessity for the hardship.

Even in the 17 Eastern States, where the shortage of gasoline is generally appreciated, there has been grumbling from the present regional restrictions on motor-fuel consumption.

WILL MEET TODAY

The voices from the Senate were heard as the War Production Board was prepared to meet today to decide on a Nation-wide gasoline rationing. The program is being developed by Joseph B. Eastman, head of the Office of Defense Transportation, on War Production Board advice the military will require all available rubber supplies for the next 2 years.

"We will make any sacrifice necessary to win the war," said Senator ARTHUR H. VANDENBERG (Republican), of Michigan, in a telegram to Price Administrator Leon Henderson, the ration boss, "but we are entitled to

know indisputably that the sacrifice is indispensable and unavoidable."

ONE THING, THEN ANOTHER

"You can't expect them to cooperate," said Senator BURNET R. MAYBANK (Democrat), of South Carolina, "when the War Production Board says one thing, the Petroleum Coordinator says another, and Jesse Jones still another."

"It will be hard to convince people in the oil-producing States they can't have gasoline," said Senator EDWIN C. JOHNSON (Democrat) of Colorado. "Furthermore, the ration proponents shouldn't overlook the fact an idle tire deteriorates about as rapidly as one that is used moderately."

"Perhaps the principal source of this trouble," said Senator JOSEPH C. O'MAHONEY (Democrat), of Wyoming, "is that Congress has delegated too much of its authority to executives who don't understand conditions in the country."

\$400,000,000 INDUSTRY

VANDENBERG said the proposed gasoline rationing would wreck the \$400,000,000-a-year tourist industry in his State. Wisconsin's revenue from recreational motoring is approximately as large as Michigan's.

"A reasonable rationing of vacations," said the Michigan Senator, "would be preferable to their elimination through the gasoline restriction."

VANDENBERG urged other conservation measures—such as strict speed limits and the pooling of car usage—should be explored before gas rationing jeopardizes transportation.

Mr. HATCH subsequently said: Mr. President, after I had concluded the remarks I made earlier in the day on the oil situation, I returned to my office and found a letter which enclosed a clipping from the Daily Oklahoman, to the effect that the R. F. C. is now making oil loans to producers. I ask that the clipping be incorporated in the Record immediately following my remarks.

I wish to say further that I was familiar with the policy which has been adopted by the R. F. C., of making loans on banking collateral. In my opinion it is an improvement on the policy which has heretofore been adopted by the R. F. C., but it does not at all meet the situation which I intended to discuss earlier in the day.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico?

There being no objection, the clipping was ordered to be printed in the Record, as follows:

RECONSTRUCTION FINANCE CORPORATION OIL LOANS

The Reconstruction Finance Corporation stands ready to lend money to oil producers who have good collateral, Jesse Jones, Reconstruction Finance Corporation chairman told National Petroleum News.

"The Reconstruction Finance Corporation does not usually make loans to oil producers, but these are unusual times and we are now prepared to make such loans, if the producer has good collateral," Jones said.

Asked if legislation were needed to aid such program, Jones replied:

"No; all that a producer has to do is go into any Reconstruction Finance Corporation office and apply for a loan. And if he has good collateral, he'll get it."

Mr. ELLENDER subsequently said: Mr. President, I ask unanimous consent to have printed in the Record following the remarks of the distinguished Senator from New Mexico [Mr. HATCH] a timely

editorial from the Times-Picayune, published in the city of New Orleans, of date May 21, 1942, entitled "Let Us Have Rational Rationing."

There being no objection, the editorial was ordered to be printed in the Record, as follows:

LET'S HAVE RATIONAL RATIONING

Submarine destruction of tankers has sharply reduced oil and gasoline transport to the Atlantic seaboard. Gasoline stocks have declined so sharply in consequence that gasoline has been rationed there. "Misery," we long have been told, "loves company"—and perhaps that explains the suggestion of drastic gasoline rationing on the Nation-wide scale. The tentative forecast, put out to test the public reaction, suggests July 1 as the possible date of the Nation-wide clamp-down.

Americans in vast majority are cheerfully willing to make whatever sacrifices are needed in this war emergency. With the exception of a few groups all have responded to every sound and justified appeal made to them thus far. Because of their patriotic readiness to do what is necessary for the war effort, they should not be imposed upon by demands for needless sacrifices. Rationing therefore should be thoroughly rational whenever and wherever invoked. And that goes, of course, for gasoline rationing present and proposed.

Drastic rationing of gasoline in areas where supplies are so abundant as to overtax available storage facilities, merely because the destruction of tankers has cut gasoline stocks in other areas pending restoration of transport facilities, would not in our judgment consist with common sense nor promote the common good. So proponents of Nation-wide rationing, unable to base it upon shortage of national supply, advocate it merely as a way to save tires. If that is the sole objective and conditions require it, the simple, direct, efficient way is to forbid the use of the tires or requisition them for national use.

If that is necessary, Americans will face the fact and make the required sacrifice. But the case for Nation-wide rationing of gasoline is weakened rather than strengthened by basing it solely upon the suggestion that gasoline rationing is a roundabout way of saving tires.

AMENDMENTS TO EMERGENCY FARM MORTGAGE ACT OF 1933

Mr. BANKHEAD. Mr. President, I move that the Senate proceed to the consideration of Senate bill 2508.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The CHIEF CLERK. A bill (S. 2508) to amend the Federal Farm Loan Act, as amended; to amend the Emergency Farm Mortgage Act of 1933, as amended; to amend the Federal Farm Mortgage Corporation Act, as amended; and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alabama [Mr. BANKHEAD].

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency with amendments.

Mr. BANKHEAD. Mr. President, by way of explanation, let me say that this is a very brief bill for the purpose of extending the term of the Land Bank Commissioner. Under the terms of the law that position expires and the authority

to make loans now made by the Land Bank Commissioner expires on the 1st of June, just a week from now. The work which the Commissioner does is very important. Hearings were held before the Committee on Banking and Currency. The measure was presented and supported by the administration. It is very desirable that it be passed, and in the Committee on Banking and Currency there was no objection to the passage of the bill. Quick action is necessary.

The bill would extend for 4 years the term and authority of the Land Bank Commissioner, and would increase his power as to the size of loans he may make, so that such loans may be equal in amount to loans made by the Federal land bank.

It may be appropriate to say that nearly 90 percent of the business of that system is now being transacted with the Land Bank Commissioner; and at this time there are thousands of applications for loans which would be suspended and ended unless the bill extending the power of the Land Bank Commissioner were enacted into law.

I have consulted with both the majority leader and the minority leader about calling up the bill. It is agreeable to both of them. So unless there is something further to be said regarding it, I am ready for a vote.

Mr. AIKEN. Mr. President, I think the Senator from Ohio [Mr. TAFT] was interested in the bill. He asked to be notified when it came up. I do not know what he intended to ask the Senator from Alabama. I sent for him when the discussion began.

Mr. BANKHEAD. The Senator from Ohio was present in the committee when the bill was acted upon.

Mr. TAFT entered the Chamber.

Mr. TAFT. Mr. President, if the Senator will yield to me, let me say that I have no objection to having the bill taken up. I joined in the report recommending its passage.

Mr. BANKHEAD. The bill has been taken up.

Mr. TAFT. I have no desire to speak on it.

Mr. BANKHEAD. Very well.

The PRESIDING OFFICER. The clerk will proceed to state the amendments reported by the committee.

The CHIEF CLERK. The first amendment of the Committee on Banking and Currency was, on page 1, after the enacting clause, to strike out:

That this act may be cited as the "Federal Farm Mortgage Corporation Act of 1942."

Sec. 2. The first paragraph of section 4 of the Federal Farm Loan Act, as amended (title 12, U. S. C. 672), is further amended by striking out the following: "Subject to the approval of the Federal Farm Loan Board and under such conditions as it may prescribe, the provisions of this act are extended to the island of Puerto Rico and the Territory of Alaska; and the Federal Farm Loan Board shall designate a Federal land bank, which is hereby authorized to establish a branch bank in Puerto Rico, and a Federal land bank, which is hereby authorized to establish a branch bank in the Territory of Alaska. Loans made by each such branch bank shall not exceed the sum of \$25,000 to any one borrower and shall be subject to the restrictions and provisions of this act (U. S. C., title

12, ch. 7), except that each such branch bank may loan direct to borrowers, and, subject to such regulations as the Federal Farm Loan Board may prescribe, the rate charged borrowers may be $1\frac{1}{2}$ percent in excess of the rate borne by the last preceding issue of farm-loan bonds of the Federal land bank with which such branch bank is connected: *Provided*, That no loan shall be made in Puerto Rico or Alaska by such branch bank for a longer term than 20 years," and substituting in lieu thereof the following: "Subject to the approval of the Farm Credit Administration and under such conditions as it may prescribe, the provisions of title II of this act, the Farm Credit Act of 1933, and any act amendatory thereof or supplementary thereto are extended to the Island of Puerto Rico and to the Territories of Alaska and Hawaii."

SEC. 3. The act approved March 10, 1924, as amended (43 Stat. 17; title 12, U. S. C. 672), is further amended by striking out section 2 thereof.

SEC. 4. Section 13 of the Federal Farm Loan Act, as amended (title 12, U. S. C. 781), is further amended by adding at the end thereof a new paragraph reading as follows:

"Nineteenth. To make available services, facilities, and personnel to the Land Bank Commissioner and/or the Federal Farm Mortgage Corporation to aid in making loans and in servicing loans, real estate, or other assets situated in the continental United States exclusive of Alaska, or in the island of Puerto Rico."

The amendment was agreed to.

The next amendment was, on page 3, at the beginning of line 13, to strike out "Sec. 5. (a) The" and insert "That the", so as to read:

That the second sentence of section 32 of the Emergency Farm Mortgage Act of 1933, as amended (title 12, U. S. C. 1016 (b)), is further amended by striking out the semicolon in said sentence and the following: "nor shall a loan in excess of \$7,500 be made to any one farmer," and inserting in lieu thereof a period and the following: "The amount of loans to any one borrower shall in no case exceed a maximum of \$50,000, but loans to any one borrower shall not exceed \$25,000 unless specially approved by the Land Bank Commissioner, nor shall any one loan be for a less sum than \$100, but preference shall be given to applications for loans of \$10,000 and under."

The amendment was agreed to.

The next amendment was, on page 4, after line 3, to strike out:

(b) The tenth sentence of said section 32, as amended (title 12, U. S. C. 1016 (g)), is further amended by striking out the following: "Until June 1, 1942, the" and inserting in lieu thereof "The"; and by striking out the semicolon in said sentence and the following: "but no such loans shall be made by him after June 1, 1942, except for the purpose of refinancing loans previously made by him under this section."

And insert:

SEC. 2. The tenth sentence of such section 32, as amended, is amended by striking out "June 1, 1942" wherever it appears therein and inserting in lieu thereof "July 1, 1946."

The amendment was agreed to.

The next amendment was, on page 4, after line 14, to strike out:

SEC. 6. Section 4 (b) of the Federal Farm Mortgage Corporation Act, as amended (title 12, U. S. C. 1020d), is further amended by adding at the end thereof the following new paragraph:

"The Corporation is authorized and directed, upon the request of the Federal Land Bank of Baltimore made with the approval

of the Farm Credit Administration, to purchase from said bank all its mortgages secured by real estate situated in the island of Puerto Rico and other securities for loans on such real estate, contracts for the sale of real estate and real estate situated in said island, and all other assets of every description of said bank situated in said island and pertaining to the business of the Puerto Rico branch of said bank, except cash, at a price agreed upon by the bank and the Corporation subject to approval by said Administration."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend section 32 of the Emergency Farm Mortgage Act of 1933, as amended."

CALL OF THE ROLL

Mr. TAFT. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Gillette	O'Mahoney
Andrews	Green	Pepper
Austin	Gurney	Radcliffe
Ball	Hatch	Reynolds
Bankhead	Hayden	Rosier
Barbour	Herring	Schwartz
Barkley	Hill	Shipstead
Bilbo	Holman	Smathers
Bone	Hughes	Smith
Brown	Johnson, Calif.	Spencer
Bulow	Johnson, Colo.	Taft
Burton	La Follette	Thomas, Okla.
Byrd	Langer	Truman
Capper	Lee	Tunnell
Caraway	Lucas	Tydings
Chavez	McCarran	Vandenberg
Clark, Idaho	McFarland	Van Nuys
Clark, Mo.	McNary	Wagner
Connally	Maloney	Walsh
Danaher	Maybank	Wheeler
Davis	Millikin	White
Doxey	Murdock	Wiley
Ellender	Norris	Willis
George	Nye	
Gerry	O'Daniel	

The PRESIDING OFFICER (Mr. ANDREWS in the chair). Seventy-three Senators having answered to their names, a quorum is present.

EXTENSION OF POWERS OF THE RECONSTRUCTION FINANCE CORPORATION

Mr. BROWN. Mr. President, I move that the Senate proceed to the consideration of House bill 7008, a bill to expand the powers of the Reconstruction Finance Corporation.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 7008) to authorize the Reconstruction Finance Corporation to issue notes, bonds, and debentures in the sum of \$5,000,000,000 in excess of existing authority, which had been reported from the Committee on Banking and Currency with amendments.

Mr. BROWN. Mr. President, I think it would be well for me to make a short general statement as to what the bill provides before we have the amendments stated.

The bill passed the House of Representatives in simple form—merely containing an authorization for the Recon-

struction Finance Corporation to add \$5,000,000,000 to its outstanding indebtedness. Of course, in this day we deal in tremendous sums, and I want the Senate to know that in the consideration of the bill now before us we are dealing with a tremendous sum of money—\$5,000,000,000 for the Reconstruction Finance Corporation, and \$1,000,000,000 for the Commodity Credit Corporation, a total of \$6,000,000,000.

Ordinarily when we authorize the appropriation of money for these corporations it is expected that the money will be used for the purpose of making loans, and the major part of the money provided by the pending bill will be used for that purpose; but in the bill we are embarking on a program which will mean that a considerable part of the money will probably not be repaid to the Government of the United States and will be lost to the taxpayers.

I shall state the three principal provisions in the bill and then proceed to a brief explanation of them.

Section 1 provides \$5,000,000,000 for the Reconstruction Finance Corporation. Section 3 provides \$1,000,000,000 for the Commodity Credit Corporation. Section 2 authorizes the R. F. C. to engage in a rather new enterprise. The pending measure is a part of the price-control plan.

The situation which has arisen requires some explanation. By the general price order which became effective a few days ago a top limitation on prices was fixed by the Administration. That limitation, as is quite generally well known, is the highest price that was charged by any merchant during the month of March.

It has been discovered that it will be necessary to do one of two things, either to revise some of the price limitations or to assist some business enterprises which otherwise would be ruined by the operation of the law.

When it was discovered that this situation had arisen, and would arise again in other cases, the Administrator and his staff studied the plan which was adopted in Canada, as well as the plan adopted in England, to meet a similar situation. The administrators from both those countries stated that such a situation would arise here; and it has arisen. They strongly advised that in the operation of our law we retain the limitations which we had placed upon prices, and that we prevent a rise in prices, if that be possible. I think Mr. Henderson acquiesced in the views of the Canadian administrator when he said, "The greatest mistake you can make is to permit a puncturing of the ceiling."

We are not talking about small changes, and we do not intend in any way to subsidize merchants, or wholesalers, or others interested in the price structure, when the changes are slight and are due to inefficiency or kindred matters, but what we want to do, and what we propose to do by this bill, is to take care of losses which would be incurred and which have occurred by reason of extraordinary changes in costs due largely to the war and the efforts connected with the war.

The best example I can give is the coal situation. When the price order was under contemplation, coal was pretty largely carried from the coal fields to tidewater, we will say to Norfolk, Va., and from there hauled by water to the New England area. Likewise, as is well known, gasoline was to a large extent transported by tankers from Texas and Louisiana, from Gulf ports, and carried to Baltimore, Philadelphia, New York, Boston, and other Atlantic seaboard points.

Because of the submarine menace and the unfortunate success the submarines have had, it is very difficult to transport gasoline and coal by water from the points of production to the points of consumption. The result has been, in the case of gasoline, for example, that a 20-cents-a-barrel freight rate by water is replaced by a \$1.20 freight rate by rail. The railroads do not want the business; they would feel much better if they did not have it; but, of course, the only way in which we can safely get gasoline and coal from the producing areas to the consuming areas is by rail.

The question which presented itself to the Price Control Administration was, "Shall we permit rises in the prices, as is fully justified, of the products of the factories of New England which buy this coal and have to pay a dollar a ton more freight than they paid previously, or shall we as a Government assume that burden and pay the difference between the rail and the water rate?"

As I stated a few moments ago, a great deal of study was given to the subject. Consideration was given to the Canadian and British experience. Permitting the prices of the products of the coal-consuming plants of New England to go up of course would have two results. First, they are in competition with plants at Norfolk, Va.; in Pennsylvania, in West Virginia, in all the coal-producing areas, and the plants so located would have a much greater advantage than they now have over the New England plants, and plants in other sections of the country where coal is not produced. That would be the first result; there would be a very unfair competitive situation.

Secondly, if we permitted the prices to go up, there would be, as is well known to those of us who have studied somewhat intensively the price-control situation, a tendency to pyramid the increase. There would be a pyramiding, even a multiplication, of costs, which we think would have a much greater tendency toward inflation of prices, because the price of coal permeates the costs of practically all manufactured products.

Therefore, it was felt that it would be much better for the people as a whole to assume this additional burden, which is not the fault of the New England manufacturer, and not the fault of the mid-western manufacturer, but a condition brought about through the ravages of the common enemy of the country.

Mr. McNARY and Mr. JOHNSON of Colorado addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Michigan yield, and, if so, to whom?

Mr. BROWN. I think the Senator from Oregon rose first.

Mr. McNARY. I shall be glad indeed to yield to the Senator from Colorado.

Mr. JOHNSON of Colorado. The Senator from Oregon may proceed.

Mr. McNARY. I returned to the Chamber but a moment ago, and I do not know whether the Senator from Michigan is discussing the Commodity Credit section or not.

Mr. BROWN. No; I had not reached that point yet.

Mr. McNARY. Very well. I shall not obtrude my views at this time, or the questions I wish to ask until the Senator reaches that point.

Mr. BROWN. Very well.

Mr. McNARY. I am very much interested in that section of the bill.

Mr. VANDENBERG. Mr. President, will my colleague yield?

Mr. BROWN. I yield.

Mr. VANDENBERG. I should like to hear the Senator discuss this phase of the matter: It seems to me that until we have a total price control, which includes wages, if we initiate subsidies to overcome differences in cost of production, we have virtually created such a situation that all wage increases can be charged to the Government through subsidies.

Mr. BROWN. I will say to the Senator that it is not in the contemplation of any who are responsible for the proposed legislation that any subsidies should be paid because of the reasons to which the Senator has alluded.

Mr. VANDENBERG. There is not anything in the bill which would prevent it, is there?

Mr. BROWN. No; I think not, and I think it would be most difficult if we tried to spell out in detail each item which the R. F. C. or the Commodity Credit Corporation could cover by the operations contemplated by the bill. I think it is a matter we must leave to the administrative authorities. I am sure that if we were to spell out in the bill those items to be subsidized, it would be an invitation to a great many people who may come within the purview of the contemplated statute to ask for a subsidy. We want to hold the number to the lowest possible minimum, and it is the intent of the committee—and the testimony bears me out in the statement—that there should be subsidies only in cases where the necessity is attributable to the war and the conditions surrounding it.

Mr. VANDENBERG. Of course, it seems to me, if the Senator will allow me to say so, that we once more confront another of those difficulties which arise when we attempt price control without also controlling wages, for certainly wages are a major factor in the costs of production to which the Senator has referred. Let us suppose, for the sake of the argument, that railroad rates, which the Senator is proposing to equalize by subsidies, would have to be increased because of a tremendous increase in railroad wages. Under his statement, as I understand it, that situation would be eligible

for subsidy treatment under the bill. Is that correct?

Mr. BROWN. I think it would be eligible, strictly speaking, under the language of the bill. In other words, it would be legal. But it is not within the contemplation of any of us that that kind of a cost should be subsidized. I, of course, have always taken the position, though there do not seem to be many who believe with me, that section 1 of the price-control bill, directing the War Labor Board to stabilize wages, is just as vital, just as potent in its direction to the Board as is section 2 in its direction to the Price Control Administrator to fix prices. I think the administrative authorities have failed fully to use the power and the policy and the direction given the War Labor Board by section 1 of the price-control bill, which is designed, in effect, to stabilize wages substantially as of the time when prices are stabilized. I think the President has from time to time intimated that that should be done, and I understand from the newspapers that such a proposal is in contemplation; but I have not seen from any recognized administrative authority a direct reference to section 1 of the price-control bill, which I think is powerful, potent, and sufficient to cover the wage situation.

Mr. VANDENBERG. Of course, the Senator leaves me in somewhat of a dilemma. I think his bill is perfectly sound, provided we have all-out Government control over all the factors entering into the cost of production. When I bring that to the Senator's attention, and suggest to him that the failure to control wages in connection with the other controls leaves that back door open, and leaves it open to subsidies under the bill, he tells me that I must rely upon the administrators, because I cannot rely upon the text of the law. I do not like to rely upon the administrators that much.

Mr. BROWN. I suppose I should not speak for anyone else, but I do not know of any member of the Banking and Currency Committee, including our experts, who can take the Price Control Act, as it is, and write into this amendment of the Price Control Act a provision which would spell out in detail just those costs which we might subsidize and those which we might not subsidize. I think that is not a task for a legislative body. I think it is one we must leave to the administrative authorities. I have misgivings about it; I have misgivings about the whole subject of subsidies; but I am confronted by this situation: Considering the unfortunate economic condition in which we find ourselves, is it better to adopt the subsidy plan—and everyone in the Government department says, "Do not use the word 'subsidy,'" but we have got to use it because that is what it is—or is it better to let the price-control ceiling go? We are caught in that dilemma, and while, as I have said, I have misgivings about the subsidy plan, I think it would be less damaging, since it would spread the cost on all the people of the country, than it would be to let prices go up.

Mr. VANDENBERG. I would agree with my colleague completely, provided



77TH CONGRESS
2D SESSION

S. 2508

IN THE HOUSE OF REPRESENTATIVES

MAY 26, 1942

Referred to the Committee on Agriculture

AN ACT

To amend section 32 of the Emergency Farm Mortgage Act of 1933, as amended.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the second sentence of section 32 of the Emergency
4 Farm Mortgage Act of 1933, as amended (title 12, U. S. C.
5 1016 (b)), is further amended by striking out the semicolon
6 in said sentence and the following: "nor shall a loan in excess
7 of \$7,500 be made to any one farmer." and inserting in lieu
8 thereof a period and the following: "The amount of loans
9 to any one borrower shall in no case exceed a maximum of
10 \$50,000, but loans to any one borrower shall not exceed

1 \$25,000 unless specially approved by the Land Bank Com-
2 missioner, nor shall any one loan be for a less sum than \$100,
3 but preference shall be given to applications for loans of
4 \$10,000 and under: *Provided*, That no loan shall be made
5 outside the continental United States or in Alaska for a longer
6 term than twenty years."

7 SEC. 2. The tenth sentence of such section 32, as
8 amended, is amended by striking out "June 1, 1942"
9 wherever it appears therein and inserting in lieu thereof
10 "July 1, 1946".

Passed the Senate May 26, 1942.

Attest:

EDWIN A. HALSEY,

Secretary.



77TH CONGRESS
2^D SESSION

S. 2508

AN ACT

To amend section 32 of the Emergency Farm
Mortgage Act of 1933, as amended.

MAY 26, 1942

Referred to the Committee on Agriculture



remarks on three subjects and to include certain excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. PATMAN]?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made today and to include therein two newspaper articles, and I ask unanimous consent to extend my own remarks in the RECORD in another particular.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. COSTELLO]?

There was no objection.

[The matter referred to appears in the Appendix.]

(Mr. BUCK asked and was given permission to extend his own remarks in the RECORD.)

Mr. GILLIE. Mr. Speaker, I asked unanimous consent to extend my own remarks in the RECORD and to include a speech by Dr. Young, of Purdue University. Yesterday I submitted this and it was found to be one-third of a page too much. I ask unanimous consent that it may be included in the RECORD notwithstanding its cost.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. GILLIE]?

There was no objection.

[The matter referred to will appear hereafter in the Appendix.]

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an oration by the Very Reverend James T. McDermott, at memorial services held last Sunday at Lowell, Mass.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts [Mrs. ROGERS]?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. SWEENEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the subject of the late Michael T. Finnan, former national secretary, National Association of Letter Carriers, and editor of the Postal Record.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. SWEENEY]?

There was no objection.

[The matter referred to appears in the Appendix.]

(Mr. RABAUT and Mr. HOFFMAN asked and were given permission to extend their own remarks in the RECORD.)

Mr. GEHRMANN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. GEHRMANN]?

There was no objection.

[The matter referred to appears in the Appendix.]

(Mr. BELL and Mr. CAPOZZOLI asked and were given permission to extend their own remarks in the RECORD.)

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. ANDERSON] may have permission to extend his own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. MICHENER]?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. CARTWRIGHT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a resolution adopted by the Unity Council of Oklahoma at its last meeting.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. CARTWRIGHT]?

There was no objection.

[The matter referred to appears in the Appendix.]

AMENDMENT TO SECTION 32 OF THE EMERGENCY FARM MORTGAGE ACT OF 1933, AS AMENDED

Mr. FULMER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill S. 2508, to amend section 32 of the Emergency Farm Mortgage Act of 1933, as amended.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina [Mr. FULMER]?

Mr. HOPE. Mr. Speaker, reserving the right to object, as I understand the situation, it is necessary for this bill to pass immediately because of the fact that the Farm Mortgage Corporation will have no power to make loans after the 30th of this month, and we must pass the bill at this time?

Mr. FULMER. The gentleman is correct.

Briefly, Mr. Speaker, may I state the whole purpose of this bill is to extend the operations of the Federal Land Bank Commissioners for another year, due to the fact the operations of the Federal Land Bank Commissioners will end on the 30th of this month unless this bill is passed. The bill has already passed the Senate. It was reported unanimously by the Committee on Agriculture. That is the whole purpose of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the second sentence of section 32 of the Emergency Farm Mortgage Act of 1933, as amended (title 12, U. S. C. 1016 (b)), is further amended by striking out the semicolon in said sentence and the following: "nor shall a loan in excess of \$7,500 be made to any one farmer," and inserting in lieu thereof a period and the following: "The amount of loans to any one borrower shall in no case exceed a maximum of \$50,000, but loans to any one borrower shall not exceed \$25,000 unless specially approved by the Land Bank Commissioner, nor shall any one loan be for a under: *Provided*, That no loan shall be given to applications for loans of \$10,000 and under: *Provided*, That no loan shall be made outside the continental United States or in Alaska for a longer term than 20 years."

SEC. 2. The tenth sentence of such section 32, as amended, is amended by striking out "June 1, 1942" wherever it appears therein and inserting in lieu thereof "July 1, 1946."

Mr. FULMER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FULMER: Strike out all after the enacting clause and insert the following wording: "That the tenth sentence of section 32 of the Emergency Farm Mortgage Act of 1933, as amended, is amended by striking out 'June 1, 1942' wherever it appears therein and inserting in lieu thereof 'July 1, 1943.'"

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Gatling, one of its clerks, announced that the Senate disagrees to the amendment of the House to the bill (S. 2250) entitled "An act to mobilize the productive facilities of small business in the interests of successful prosecution of the war, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HUGHES, Mr. WAGNER, Mr. MALONEY, Mr. TOBEY, and Mr. TAFT to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4476) entitled "An act providing for sundry matters affecting the Military Establishment."

OUR OBLIGATION TO BRING ABOUT WORLD UNDERSTANDING, COMITY, AND COOPERATION

The SPEAKER. Under a previous order of the House, the gentleman from Illinois [Mr. DIRKSEN] is recognized for 10 minutes.

Mr. DIRKSEN. Mr. Speaker, in the streets and shops, in the forums and on the farms the common topic of discussion is war and victory, the problems which flow from war, the impact of war upon our domestic well-being, and the ultimate disposition of victory.

It was therefore timely and appropriate that the Republican National Committee in formulating a policy of national conduct should address itself to the very matters with which the country is so deeply concerned today. A discussion of that program is equally appropriate since it deals with problems and policies with which the Congress must deal from time to time.

On April 20, 1942, the Republican National Committee convened in Chicago and adopted a 12-point program for national guidance. That program is a document of unity which recognizes the part we must play as a nation in the disposition of victory and the responsibility which we must undertake in world affairs.

The third point in that program reads:

We realize that after this war, the responsibility of this Nation will not be circumscribed within the territorial limits of the United

States; that our Nation has an obligation to assist in the bringing about of understanding, comity, and cooperation among the nations of the world in order that our own liberty may be preserved and that the blighting and destructive processes of war may not again be forced upon us and upon the free, peace-loving peoples of the earth.

What shall we do with victory? Whither do we go when "grim-visaged war hath smoothed his wrinkled front"?

Marcus Aurelius once referred to the "yawning void of the future." Shall that be the world's lot after millions of young bodies have been bruised to eternal sleep that order, hope, and faith might be restored to a fitful world?

After the futilities of a generation shall it again be the lot of mankind to speak of "this terrible peace, whereby we halt forever on the craters brink and feed the wind with phrases."

On the shelf before me is a bound document of 192 pages dated July 10, 1919. It is the treaty of peace with Germany.

It is like an adventure to thumb the pages and observe the titling. There is the Covenant of the League of Nations in ashes. There are the boundaries of Germany, for which only a current map has the answer. There are the political clauses and guaranties reduced to grim irony as one lifts his eyes to contemplate a smoldering Poland, a dismembered Czechoslovakia, a bleeding Greece, a supine Austria, a conquered Norway, a bewildered France, a prostrate Belgium. One reads the military, naval, and air clauses and can hear the tramp of a million booted feet, the drone of planes, the swish of tin fish as they sink Atlantic shipping. Whence all these? One reads the penalty clause for the trial of Wilhelm II for his crimes against the world. How explicit it was. The tribunal of five judges was created in the treaty for a case never presented to the court. It seems like mockery.

All this was but a generation ago, and again the world is bleeding and prostrate.

Shall we continue to speak of Europe's endless wars and fold our hands only to find that inevitably they end in the United States Treasury and on the backs of our own people? There is a time for everything and a season for every purpose, and this is the time to ponder our responsibility in bringing about understanding, comity, and cooperation among the nations of the world in the fervent hope that the blight of war may not again be forced upon the peace-loving people of the earth.

In the factories of California I saw the airplane of the future, which will shrink the oceans, laugh at mountains and surface obstructions, and bring the world together as an integrated community. To give that shrunken world a new and resilient hope and faith is one of our responsibilities and it deserves attention now.

The costly administrative mistakes of the last 10 years in creating emergency machinery to meet domestic problems is eloquent of the necessity for creating effective peace machinery if haste, mistakes, and blunders are to be avoided.

A victorious, successful, and enduring peace and a successful ordering of the

world's problems will not be the work of a day, a week, a month.

Shall the imperative of time find us unready to successfully dispose the victory when it comes and cause us to repeat the blunders of yesteryear?

There is a season for every purpose and a time for everything. This is a time for exploration of the problems which will confront us when there is thrust upon us the responsibility for assisting in bringing comity, understanding, and cooperation among the nations of the world.

It is a time for moral preparation and study. That lack of imagination which thwarted the development of the steamboat, that capacity for disbelief which made the development of the incandescent lamp so difficult, the inertia which required years for the transposition from the candle to the electric lamp, that fear of change which caused workers generations ago to break labor-saving machinery with sledges, and that neophobia which fears every innovation must be met with a faith and a determination that a less brutal, a free, a better, and a peaceful world can be achieved.

When the last shot has been fired, when the last bomb has been dropped, when the last life has been snuffed out, and the stillness of armistice brings rejoicing to all corners of the earth, we must be ready to dispose the victory with leadership, with plans, and with machinery.

Organized forces of union, of federation, of world government, of international organization are already at work. They are symbols of the spirit reaching forth from behind the barriers of frustration to a new hope that cooperation, comity, and understanding can be achieved, and that the blight of warfare will be no more.

These forces need study. They need direction. They need exploration. What better approach would we take now than to create a joint committee of the Senate and House of Representatives to give sustained and profound study to the ideas now at work so that when the great day of victory arrives we shall be ready and unhurried in assuming the responsibility of assisting this stricken world?

It is true that under our system of government the Senate is charged with approval power of treaties and arrangements with foreign lands. But let it not be forgotten that the capstone of victory will be more than a treaty of peace. It must be a plan for rehabilitation. It must be a settlement of obligations. It must be an understanding concerning currencies and trade. It may have to be implemented with an expenditure of funds which are derived from the Public Treasury. All this becomes a matter of concern to all the people and to every representative of the people, irrespective of the body in which he serves.

To win the peace we must be ready, and the time for preparation is now. We can best bring understanding to the world if we ourselves thoroughly understand what we seek to do and how to do it. Let us begin now.

EXTENSION OF REMARKS

Mr. STARNES of Alabama. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Alabama [Mr. BOYKIN] be permitted to extend his own remarks in the RECORD on three topics and to include therein certain excerpts and other matter.

The SPEAKER pro tempore (Mr. COSTELLO). Is there objection to the request of the gentleman from Alabama?

There was no objection.

[The matters referred to appear in the Appendix.]

(Mr. KILDAY asked and was given permission to extend his own remarks in the RECORD.)

Mr. YOUNG. Mr. Speaker, under a previous order of the House, I have permission to address the House this afternoon. Due to the lateness of the hour, I shall not use this time, but instead ask unanimous consent to extend my own remarks in the Appendix of the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

[The matter referred to will appear hereafter in the Appendix.]

PROPOSED GAS RATIONING IN THE MIDDLE WEST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. DONDERO] is recognized for 15 minutes.

Mr. DONDERO. Mr. Speaker, the invention of internal-combustion engines and the creation of the automobile revolutionized the economic life of every civilized nation on earth. The American people, above all other peoples of the world, have been influenced by the effect of the automobile upon transportation and nearly every other phase of life in America. Our entire economic structure has been geared to the economy produced by and through the automobile. It has had its effect upon the culture, education, religion, and home life of our people. It has transformed rural sections and areas of the Nation into residential areas. It has decentralized the residential sections of the laboring man so that he no longer lives near or in the congested area of his place of employment.

In the State of Michigan, a portion of which I have the honor to represent in this body, the automobile capital of the world was domiciled. From the mass-production lines of the great automobile factories located in or near the dynamic city of Detroit moved cars and trucks to every civilized nation on earth.

Those great productive machines are silent now, and they are no longer producing that great convenience of our day and age, the automobile. Those giant industries have been transformed from the production for peace and commerce to the production of war, and Detroit, Mich., has become a great center in the Nation's gigantic war effort. Its tens of thousands of skilled workmen, loyal and devoted American citizens, still travel to their places of employment in automobiles. I come from that section of our

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activities, and I had hoped that would be done, but that seemed to be abandoned after a few permanent activities were moved away from the city. Furthermore, when I note the construction of these additional houses, it appears to me that we are adding to the congestion on one side of the city, near the river, instead of scattering the employees around where there is more room for housing facilities.

Mr. McKELLAR. This bill provides for housing in the suburbs, in Maryland and Virginia, as well as in Washington City itself. While some of the permanent activities have been removed to other cities, there are still very many people in this city who are without housing, and whatever may be our idea as to whether it is valuable to have this extra number of employees or not, I do not believe we should have them here without providing adequate housing.

Mr. McNARY. Of course not, but, in my opinion, the committees which are recommending these vast appropriations should look into the question of overemployment and excess activities in this city. No one seems to be doing anything about that.

Mr. McKELLAR. We will have to do that if we are ever to reach a conclusion in the matter.

Mr. McNARY. I observe in the press that a very huge sum is to be asked for housing. I wonder whether that bears any relation to the items we are now discussing.

Mr. McKELLAR. I do not know about that. I myself have been out of the city for a week.

Mr. McNARY. That is frequently and too often the answer; no one seems to know; hence the progress of waste and overemployment continues from day to day. Of course, I shall not object, because this is a matter of procedure, of which I cannot complain, but the philosophy, the fundamental reasons I have stated, still remain with me.

Mr. McKELLAR. I think the Senator for his attitude in regard to the matter, but I think that sending back to conference the particular item I have suggested will result in the facts being ascertained before we can reach an agreement, and I think to that extent it will do good.

Mr. McNARY. I think the Senator had better be prepared to answer some of the inquiries I suggested a moment ago before he expects to get favorable action on the final conference report.

Mr. McKELLAR. I shall be very glad to give the Senator the information when we come in with the final report.

The PRESIDENT pro tempore. The question is on the present consideration of and agreeing to the conference report submitted by the Senator from Tennessee.

The report was considered and agreed to.

Mr. McKELLAR. Mr. President, I move that the Senate request a further conference with the House on amendment No. 1, now in disagreement, and that the Chair appoint the same conferees.

The motion was agreed to; and the President pro tempore appointed Mr. McKELLAR, Mr. GLASS, Mr. HAYDEN, Mr.

TYDINGS, Mr. RUSSELL, Mr. NYE, and Mr. HOLMAN conferees on the part of the Senate at the further conference.

AMENDMENT OF EMERGENCY FARM MORTGAGE ACT OF 1933

Mr. BANKHEAD. Mr. President, Tuesday of this week the Senate passed Senate bill 2508, a bill extending the time of Land Bank Commissioner loans to 4 years. The House reduced the time to 1 year, and the action of the House has just been reported to the Senate. I ask the Chair to lay the action of the House before the Senate at this time, because I intend to make a motion to concur in the House amendment.

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 2508) to amend section 32 of the Emergency Farm Mortgage Act of 1933, as amended, which was, to strike out all after the enacting clause and insert:

That the tenth sentence of section 32 of the Emergency Farm Mortgage Act of 1933, as amended, is amended by striking out "June 1, 1942" wherever it appears therein and inserting in lieu thereof "July 1, 1943."

Mr. BANKHEAD. The House action extends the time for 1 year instead of 4. The law will expire on Monday unless we act, and in view of that circumstance, with the agreement of the Department of Agriculture, I move that the Senate concur in the House amendment.

The motion was agreed to.

INCREASE IN NUMBER OF CADETS AT THE MILITARY ACADEMY—CONFERENCE REPORT

Mr. REYNOLDS submitted the following conference report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6979) to authorize an increase of the number of cadets at the United States Military Academy and to provide for maintaining the corps of cadets at authorized strength, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same.

ROBERT R. REYNOLDS,
JOSH LEE,
LISTER HILL,
WARREN R. AUSTIN,

Managers on the part of the Senate.

ANDREW J. MAY,
EWING THOMASON,
DOW W. HARTER,
WALTER G. ANDREWS,
LESLIE C. ARENDS,

Managers on the part of the House.

The conference report was agreed to.

PROHIBITION OF LIQUOR SALES AND SUPPRESSION OF VICE AROUND MILITARY CAMPS

Mr. BILBO. Mr. President, a year ago the 1st of May our beloved colleague, the late Senator Sheppard, introduced Senate bill 860, a bill to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments.

There has been quite a demand for action on the proposed legislation, but the Congress has hesitated and delayed action because of the halfway assurance from the Secretary of War and the Secretary of the Navy that the evils which the bill attempts to remove in the neighborhood of the training camps of the Nation would receive attention at the hands of those in authority and in control of the training camps. But every day Members of Congress are being flooded with petitions and complaints from all sections of the country testifying to the fact that absolutely nothing has been done about the matter, and that the camps where our boys are being trained for the war effort are being literally flooded with all sorts of alcoholic drinks, prostitutes, and other abuses, which certainly do not contribute to the proper preparation of the boys to win the war.

In this connection I wish to serve notice on the Senate that it is my purpose on next Monday to make a motion to take up the bill for definite decision. I know Senators want a chance to get the bill out of the way and stop the flood of protests and complaints they are receiving from all sections of the country.

Mr. President, in my State there is located the largest military-training camp in America, and I know personally and from incontrovertible testimony that whisky and strong drinks are being sold even on the grounds of the camp with the consent most certainly of those in authority and control of the camp. The conditions there are indescribable.

In this connection I wish to place in the Record as a part of my remarks a letter from Dr. H. V. Tweedie, of Rockland, Maine, published in the Rockland Courier-Gazette of Friday, May 22, 1942. I shall not take time to read the letter now, but I wish to ask Senators to read the letter written by Dr. Tweedie describing the conditions which now obtain throughout the country, and which have obtained for over a year, with nothing having been done about them. The only way the Senate can discharge its duties and responsibilities to the youth of the Nation who are being housed in training camps for the purpose of military training so they may end the war is for the Senate to take affirmative action on the question; otherwise the responsibility for the results of these conditions will rest on our shoulders.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

"MAKE DIN OF PROTEST"—DR. TWEEDIE TELLS OF VICES WHICH FACE THE BOYS IN THE SERVICE

ROCKLAND, MAINE, May 21.—The present orgy of beer drinking in the armed forces of the United States with its concomitants, prostitution and venereal disease, is creating an atmosphere of disturbance and alarm among the mothers of United States soldiers.

Young men away from home for a protracted time, in their loneliness are an easy prey to the vultures of liquor saloons and dives of indecency. That this should be condoned by those in authority, who could easily put an end to such an insane proceeding—I say insane for the reason that the reduction of manpower from the above cause

is a serious obstacle to the success of our Army and Navy—is something that we cannot understand.

Hear what Surgeon General Thomas Parra and Dr. R. A. Vonderlehr, who is in charge of the Venereal Division of the United States Public Health Service, say as quoted in a recent issue of Progress: "The recruitment of prostitutes has kept pace with the recruitment of the Army. Army venereal diseases this year are costing the Nation more man capacity than all the Nation's labor troubles and strikes combined." Is it not a fair question to ask, in view of the above conditions, are we working for the United States or for the Axis Powers?

Reviewing this bold exposé by the above quoted doctors, the New York Times on November 23 said, according to Clinton N. Howard: "Our courageous authors paint a picture—not hesitating to name the communities—of prostitution raging in a marvelous modern streamlined form, from Salinas, Calif., to Jacksonville, Fla. They tell the story, fascinating as it is sinister, of our country's newly organized panzer prostitutes; of well-dressed women in smart automobiles patrolling the roads around Army camps, giving soldiers a lift to houses of ill fame; brathels on wheels; of a deadly trailer camp near Fort Knox populated by elderly "parents" each with a surprisingly large family of dubious and dangerous "daughters"; of one powerful syndicate organizing a great band of panzer prostitutes operating in mechanized units among the roadhouses and juke joints from Chicago to the Dakotas.

Again, from Liberty magazine: "The camps have attracted a gathering of prostitutes, lush workers, gyp carnivals, shady night clubs, gamblers, and bootleggers which would put a gold rush or an oil boom to mortal shame. On last pay day at camp * * * a fly-by-night joint doped the beer of all its soldier guests, knocked them unconscious, and rolled them for every cent they had.

Again, from Clinton Howard, in reply to the statement of Secretary Knox that drafted men should not be asked to give up privileges under rules that do not apply to other citizens, and to Secretary Stimson, who opposes protection of men, because "it is a difficult problem to combat bootleg operations, Zions Herald goes on to say, "Yes; the Government has authority and power to tear away men from their homes, from their work, from their incomes in order to train them for the trenches in peacetime, but it does not have authority or power to protect those men from a comparatively small gang of vice venders and liquor dealers.

"Against every precedent in national history (never before has liquor flowed in our Army camps in time of war) in defiance of the protest of hundreds of educational, benevolent, and religious organizations, and millions of our best citizens, the authorities of our country continue to drug our soldier boys in training camps. Every one of the educational, benevolent, patriotic, and Christian organizations in our country; every patriotic citizen, every father and mother of boys in training on their way to the front; every one of the 63,000,000 professed Christians in our land, should make ether waves and telegraph wires white hot with indignant demand for this debauchery of our sons and betrayal of our country in this crucial hour stop dead in its tracks.

Let them remind the legislators that if the Sheppard bill barring liquor from our camps and environments is not immediately passed, and the law concerning vice in environs is not enforced, we have weapons with which to fight—the black list at the polls, and impeachment proceedings, and let them make it clear that we shall not hesitate to use these democratic weapons in a merciless fashion.

During World War No. 1 General Joffre, commander in chief of the French forces said,

"Alcohol, by diminishing the morale and material strength of the army, is a crime against national defense in the face of the enemy. Lloyd George, British Prime Minister, added: "We are fighting three great enemies, Germany, Austria, and Drink, but the greatest of these is Drink." In the present war, after the Army of France, supposed to be one of the strongest in the world, had gone down in 35 days under the blows of the German Army and signed away the life of its country, Marshal Petain said, "One of the first contributing causes of this defeat was alcohol in the army, and its concomitant vices."

A letter from a soldier boy recently said, "We had a beer party last night. There were 150 of us, just our battery. They had 75 gallons of beer. The boys were all in 'high.' You should have heard the noise. There is enough here to run anybody to drinking."

A Pennsylvania draftee from Camp wrote to a friend, "I hope that you don't get into this—it's hell—drinking is unrestrained."

What are we going to do about it? Let all the taxpayers of this country stand on their hind legs and make such a din of protest that the dull ears of those in charge of affairs at Washington will hear the noise and also the verdict in regard to their own future and that the suspicion of Quislings in places of power in this country may cease to exist. And while we speak of taxpayers we note the increasing murmur of indignation that is spreading all abroad in this country at the lavish waste of the taxpayer's money.

H. V. TWEEDELE.

Mr. LA FOLLETTE. Mr. President, in connection with the remarks made by the Senator from Mississippi [Mr. BILBO], I wish to ask leave to insert in the RECORD as a part of my remarks a memorandum which I received from the American Social Hygiene Association, and a copy of the minutes, and a resolution which they adopted in connection with House bill 4000 and Senate bill 860. The substance of their resolution is to the effect that, insofar as H. R. 4000 and S. 860 attempt to deal with the problem of prostitution is concerned, that that problem has already been dealt with in the so-called May Act, which was passed over a year ago.

It is the contention of this organization, which has given greater study to this problem probably than has any other similar group, that the confusion in the public mind created by the fact that these measures attempt to combine a proposal to reinstate the powers of prohibition with regard to alcoholic liquors around these camps, and the problem of prostitution, has resulted in the public being misinformed and misled concerning this subject, and that many thousands of persons are under the impression that the Congress has not acted so far as the control of prostitution around military camps is concerned, and that the Army is without authority in this regard. The contrary is true; and in view of the American Social Hygiene Association, the May Act is a much better measure dealing with the problem of prostitution than would be the proposal contained in S. 860 and H. R. 4000.

Mr. President, I therefore ask that the memorandum and minutes and resolution to which I referred be inserted in the RECORD at this point as a part of my remarks.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

AMERICAN SOCIAL HYGIENE ASSOCIATION OFFICE
MEMORANDUM

To: Senator LA FOLLETTE.
From: William F. Snow.
Subject: Senate bill 860 and companion bill House of Representatives 4000.

The American Social Hygiene Association has studied its own correspondence regarding these bills, and has reviewed the references to them in the CONGRESSIONAL RECORD since their introduction. The association has also made some inquiries regarding the petitions which have been presented to Congress and ordered to lie on the table in the Senate or to be referred to the Committee on Military Affairs in the House.

At the meeting of the board of directors of the association in Washington, April 22, Mr. Alan Johnstone, a member of the board, reviewed the situation in relation to these two bills and presented a resolution for consideration of the board. A copy of his remarks and of the resolution is attached.

Following general discussion of this matter it was voted—

"That it is the sense of the board (the board of directors of the American Social Hygiene Association) that the bills in question (S. 860 and H. R. 4000) should be amended by striking from the titles and from the bills these repetitive and duplicating provisions, the state of the Federal law with respect to prostitution having already been satisfactorily and more completely determined."

EXTRACT FROM THE MINUTES OF THE BOARD OF DIRECTORS' MEETING OF THE AMERICAN SOCIAL HYGIENE ASSOCIATION, APRIL 22, 1942

Mr. Johnstone then reviewed the general status of Senate bill 860 and the companion bill, H. R. 4000, which are still pending in Congress. The title of these bills reads as follows: "To provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments." Mr. Johnstone pointed out that section 4 of these bills—that is, that portion relating to the suppression of prostitution in the vicinity of military camps and naval establishments—has already been enacted into law in a more acceptable and complete form in the bill popularly known as the May Act, which was introduced by Chairman ANDREW J. MAY, of the House Military Affairs Committee, was passed and was signed July 11, 1941. Mr. Johnstone stated that the Congressmen were constantly receiving petitions asking the passage of these present bills; that evidently these petitions were signed by persons who did not know that part of the bill was already law, and that as citizens they can now promote and support vigorous enforcement of existing laws (including application of the May Act) in their States and communities. He said the confusion arising from continued efforts to get these bills considered as they now read militated against promptness and efficiency in enforcing the May Act and did nothing to aid those who are also desirous of supporting some practical legislation for dealing with the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States.

In order to bring this matter before the board for discussion, Mr. Johnstone introduced the following resolution:

Resolved with respect to H. R. 4000 and S. 860, now pending in the Congress, That—

Whereas the May Act prohibiting prostitution in the vicinity of training areas of the armed forces for the protection of soldiers and sailors against demoralization and venereal infection attendant on such vicious con-

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[PUBLIC LAW 561—77TH CONGRESS]

[CHAPTER 321—2D SESSION]

[S. 2508]

AN ACT

To amend section 32 of the Emergency Farm Mortgage Act of 1933, as amended.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the tenth sentence of section 32 of the Emergency Farm Mortgage Act of 1933, as amended, is amended by striking out "June 1, 1942" wherever it appears therein and inserting in lieu thereof "July 1, 1943".

Approved, June 3, 1942.



